

PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of
Thursday, November 10, 2005

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Ebert and Commissioner Meyer.

Minutes

The Commission approved the minutes of the Open Meetings of Thursday, October 13, 2005; Friday, October 21, 2005; and Thursday, October 27, 2005.

05-AE-139 – Application of Wisconsin Public Service Corporation and Wisconsin Power and Light Company for Approvals Associated with J31 Combustion Turbine Owned by Wisconsin River Power Company

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

05-DU-100 – Application of Wisconsin Electric Power Company and Wisconsin Gas Company for Certification of Depreciation Rates

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

137-CE-135 – Application of American Transmission Company to Construct a 115 kV Transmission Line From the Gardner Park Substation to the Hilltop Substation in Marathon County, Wisconsin

The Commission approved a Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3320-ER-108 – Application of the City of Manitowoc, Manitowoc County, as an Electric Public Utility, for Authority to Increase Electric Rates

The Commission approved a Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3670-GR-104 – Application of Midwest Natural Gas, Inc. for Authority to Increase Rates for Natural Gas Service

The Commission approved a Notice of Proceeding and Prehearing Conference and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4220-DU-105 – Application of Northern States Power Company (WIS), d/b/a Xcel Energy, for Approval of Its 2005 Depreciation Studies for Average Life, Vintage Group, and Review of Remaining Lives

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5990-CE-102 – Application of Two Rivers Water & Light for a Certificate of Authority to Install an Additional Transformer, Switchgear and Associated Infrastructure at Its Columbus Street Substation, Located in Manitowoc County

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6610-CE-101 – Application of the City of Wisconsin Dells, as an Electric Public Utility, for Authority to Construct Electrical Distribution Additions in the City of Wisconsin Dells, Sauk and Columbia Counties

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6700-CE-106 – Application of the City of Wisconsin Rapids, as an Electric Public Utility, for Authority to Convert the Remainder of Its Existing 2.4 kV Distribution System to 13.2 kV System, Located in the City of Wisconsin Rapids, Wood County

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3280-WR-108 – Application of Madison Water Utility for Authority to Increase Water Rates

The Commission approved a Notice of Proceeding and Hearing and directed it be signed by the Secretary to the Commission on behalf of the Commission.

137-CE-121 – Application of American Transmission Company, LLC, for Authority to Modify Existing Transmission Facilities and Construct a 138 kV Transmission Line From the Jefferson Substation in the Town of Jefferson to the Stoney Brook Substation in the Town of Waterloo, Generally Known as the Jefferson County Reliability Project

1-IC-365 – Application for Intervenor Compensation Filed by Madison Audubon Society for \$31,200 to Participate in Docket 137-CE-121

The Commission approved the Order and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3270-UR-113 – Application of Madison Gas and Electric Company, for Authority to Change Electric and Natural Gas Rates

The Commission approved Madison Gas and Electric Company's (MGE) request for an interim fuel rules rate increase, subject to refund.

The Commission determined the surcharge shall be based on actual fuel costs reported in MGE's most recently filed monthly fuel cost report and revised unit costs of fuel for the remainder of 2005, consistent with past practices.

The Commission directed the Gas and Energy Division to draft an order consistent with this decision.

4220-UR-113 – Application of Northern States Power Company-Wisconsin, d/b/a Xcel Energy, for Authority to Maintain Current Retail Electric and Natural Gas Service Rates in Wisconsin

The Commission authorized Northern States Power Company-Wisconsin (NSPW) an interim fuel increase of \$8,852,000 on a Wisconsin retail basis, subject to refund at NSPW's authorized return on common stock equity of 11.9 percent.

The Commission directed the Gas and Energy Division to draft an order consistent with this decision.

6630-GF-121 – Request for Authorization for Wisconsin Electric Power Company and Wisconsin Gas LLC to Implement and to Escrow or Defer the Costs Associated with the Natural Gas Energy Efficiency Initiatives

6650-GF-103 – Request for Authorization for Wisconsin Electric Power Company and Wisconsin Gas LLC to Implement and to Escrow or Defer the Costs Associated with the Natural Gas Energy Efficiency Initiatives

The Commission approved the request of Wisconsin Electric Power Company and Wisconsin Gas LLC for authorization to implement natural gas energy efficiency initiatives.

The Commission approved conservation escrow treatment for expenditures including carrying costs at the applicable short-term cost of debt to implement the initiatives.

The Commission directed the Gas and Energy Division to draft an order consistent with this decision.

2180-TI-142 – Complaint of AT&T Communications of Wisconsin, L.P., and TCG Milwaukee, Inc., Regarding Intrastate Rates and Charges Assessed by Verizon North Inc.

Consideration of Opening a Docket

The Commission determined that a docket should not be opened.

The Commission directed the Telecommunications Division to draft a letter consistent with this decision.

3355-NC-104 – Application of Charter Fiberlink, LLC to Expand Authorization to Territories Served by TDS Telecom

5-TI-1317 – Request of Charter Fiberlink, LLC to Terminate the Rural Telephone Company Exemption of Certain Operating Companies of TDS Telecom

TDS Telecom Companies' Notice of Motion and Motion for Interlocutory Review and Order Compelling Discovery

The Commission denied TDS Telecom Companies' requested relief.

The Commission directed the Telecommunications Division to draft an order consistent with this decision.

6630-UR-111 – Application of Wisconsin Electric Power Company for Approval of Plan to Improve Reliability Through Infrastructure and Incentives and Request for Rate Increase for Test Year 2000

The Commission discussed the record in this docket and made the following determinations:

1. Wisconsin Electric Power Company (WEPCO) did not collect any excess revenues.
2. WEPCO's filed fuel costs should be reduced by \$7.0 million to reflect the elimination of all modeled market purchases from the PROSYM model which results in lower estimated fuel costs with increased coal generation.
3. It is reasonable for WEPCO to recover the costs associated with a reserve requirement above 18 percent for 2005.
4. The 2005 fuel cost estimate should reflect the cost of incremental 2005 load reduced by fuel related revenues from previously approved fuel cost recovery.
5. It is appropriate to allocate all incremental capacity costs on coincident peak demands for this fuel reopening.

The Commission directed staff to prepare a final order that should be brought back to the Open Meeting for final review and approval by the Commission.

6720-TI-196 - Petition of SBC Wisconsin for Suspension of Wisconsin Statute sec. 196.196(1) With Regard to Basic Local Exchange Service

No discussion was held.

Christy L. Zehner
Secretary to the Commission